This record is a partial extract of the original cable. The full text of the original cable is not available.

UNCLAS SECTION 01 OF 06 TEL AVIV 001677

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STATE FOR NEA, NEA/IPA, NEA/PPD

WHITE HOUSE FOR PRESS OFFICE, SIT ROOM NSC FOR NEA STAFF

JERUSALEM ALSO FOR ICD LONDON ALSO FOR HKANONA AND POL PARIS ALSO FOR POL ROME FOR MFO E.O. 12958: N/A

TAGS: IS KMDR MEDIA REACTION REPORT SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

¶1. Mideast

12. Campaign Against Terrorism

Key stories in the media: -----

PM Sharon's disengagement plan:
-Leading media (Ha'aretz, citing GOI sources) reported that Wednesday Defense Minister Shaul Mofaz and other senior security officials most likely convinced Sharon that his disengagement plan should include a complete withdrawal from the Gaza Strip, but, at most, a pullout from only a handful of settlements in the West Bank, which Maariv says Sharon is considering carrying out Ha'aretz quoted its sources as saying that the maximal alternative -- evacuating 17 West Bank settlements in addition to the Gaza pullout -- had basically been dropped, mainly because of the growing opposition in the Likud. Yediot reported that Sharon responded to a suggestion by Mofaz that workers from Gaza continue working in Israel after the disengagement by saying: "Let them work in Egypt or Jordan." Yediot cited the belief of a senior defense source that the plan's authorization and negotiating process will continue until September 2005. Other media reported that the plan is likely to be implemented in December 12005. Ha'aretz reported that the Right is divided over the legitimacy of refusing orders to evacuate the settlements -- if and when the disengagement is passed. Yediot reported that the Justice Ministry will establish a special "dialogue" team with the Gaza Strip settlers and initiate a basic law that would tackle legislative issues that could result from the evacuation, such as harming settlers' property rights. -Jerusalem Post quoted FM Silvan Shalom as saying Wednesday that PM Sharon will deal with renegade ministers lobbying against his disengagement policy in the next few days. The newspaper noted that Shalom spoke one day after Construction and Housing Minister Effi Eitam (National Religious Party) spoke out in the U.S. against the plan and on the same day that Transportation Minister Avigdor Lieberman (National Union) met at his initiative with U.S. Ambassador Daniel Kurtzer (a meeting also reported by other media). Lieberman reportedly told Kurtzer that the plan will not be approved by the cabinet, will endanger the government, and could possibly present problems for the U.S. Administration. Lieberman told Israel Radio: "A meeting with the U.S. ambassador, as with other ambassadors, is an exchange of information, opinions, and assessments." Lieberman said he gave Kurtzer the same assessment of the plan that he has given Sharon and which he has presented to the Knesset. that the U.S. Ambassador listens to all the assessments, and not only those from the Prime Minister's Office. It is good that the Americans have a complete picture, "he said. Jerusalem Post noted that a U.S. Embassy official confirmed the meeting, saying it is normal practice for Kurtzer to periodically meet with different government ministers for an exchange of views. -Ha'aretz quoted a Palestinian source as saying that Wednesday Egyptian President Hosni Mubarak's senior adviser Osama El-Baz delivered an "ultimatum" to PA Chairman Yasser Arafat, according to which the PA must regain control of the Gaza Strip, or else Egypt would withdraw from actively intervening in the implications of Israel's withdrawal plan from the Strip. Jerusalem Post also cited Egyptian pressure on the PA.

Israel Radio reported that last night the IDF pulled out from the confines of Rafah, where it unsuccessfully looked for smuggling tunnels. Leading media reported that four Palestinians, two of them children (Ha'aretz: armed teenagers), were killed. The media reported on numerous violent incidents throughout the territories. Maariv led by citing the concern of security sources that terrorists could be planning to hijack buses. All media reported that the suicide bombers who blew themselves at Ashdod Port Sunday had hidden in a modified container that had transported candies to the Gaza Strip and re-entered Israel through the Karni crossing. Leading media quoted police officials as saying that five terrorist attacks were thwarted in Jerusalem over the past two weeks.

Israel Radio reported that last night the D-G of the Prime Minister's Office met with Palestinian Finance Minister Salam Fayyad in order to discuss the USD 100-million monthly transfer of tax money Israel owes the PA.

Israel Radio reported that, based on the Syria Accountability Act, the U.S. Administration will soon announce that it is imposing sanctions on Syria for its support for terror. The station quoted Deputy Secretary of State Richard Armitage as saying on a U.S.

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radio station that these would be very forceful sanctions, and that Syria had helped little in the battle against al-Qaida but that at the same time, along with Iran, it had supported Hizbullah and Hamas.

Leading media reported that one Palestinian was killed and 21 others were wounded in a gun battle that erupted in the center of Gaza City Wednesday morning between Hamas activists and PA policemen.

Yediot reported that in four Palestinian cities the IDF has seized notebooks of Palestinian children decorated with "dreadful pictures" of terrorist attacks and suicide bombers. Yediot and other media also reported that scrapbooks filled with photographs of "shahids" (martyrs) constitute the "biggest hit" among Palestinian children.

Ha'aretz and Jerusalem Post reported that Wednesday the High Court of Justice, which debated various West Bank fence-related petitions, ordered the state to respond to claims that the current route of the West Bank fence does not meet Israel's security needs and that it simply causes harm to Palestinian villagers. The Council for Peace and Security, a peace advocacy group representing top-level Israeli reserve officers and intelligence officials, had presented the claims to the court.

All media reported that last night in Baghdad at least 29 people were killed and 50 injured when an approximately 1,000-pound bomb went off in front of the Mount Lebanon Hotel, not far from the headquarters of the U.S.-led coalition. The media cited the suspicions of coalition officials that an al-Qaida affiliated group may have been behind the bombing. Maariv predicts that the committee investigating the role of Israeli intelligence during the Iraq War will once again blame the prevailing "preconception" among the intelligence bodies and warn that this was one of the gravest failures in the history of Israeli intelligence. The newspaper cited a denial by Foreign Affairs and Defense Committee Chairman Yuval Steinitz, who also chairs the investigative committee. The committee is also checking into the fact that Israel only learned about Libya's nuclear plans from the U.S.

Leading media reported that Wednesday Yossi Beilin, the newly elected leader of Yahad, the successor party to Meretz, called on the Labor Party not to crawl before Sharon. Leading media reported that Wednesday Labor Party Chairman Shimon Peres reiterated statements that his party has no intention of joining the government coalition. Leading media reported that Justice Minister Yosef (Tommy) Lapid called on the State Comptroller to investigate who funded Beilin's election campaign, and whether foreign funding he received for the promotion of the Geneva Accord was not siphoned off into his personal election campaign.

Globes quoted Jacob Toren, the Chairman of RAFAEL, the Israel Armament Development Authority, that, due to a 50 percent cut in orders from the IDF, the authority is expected to move a significant part of its production and development activities to the U.S.

Globes and Ha'aretz reported that an agreement for

Israeli participation in the 16-billion euro Galileo European satellite navigation system project was signed Wednesday in Jerusalem. Globes also noted that the European Parliament has approved Israel's participation in the Sixth Framework Program of the EU for R&D.

11. Mideast:

Summary:

Independent, left-leaning Ha'aretz editorialized:
"Posturing and threats do not enhance Israel's
deterrent power. They can actually backfire, leading
to a general escalation and producing one of two bad
results: enhancing the credibility of the Palestinian
version of Israel's withdrawal under force, or the
failure of the plan to withdraw from Gaza."

Block Quotes:

"How to Get Out of Gaza"

Independent, left-leaning Ha'aretz editorialized (March 18): "The Palestinians have a powerful interest in presenting a different version of the narrative of the withdrawal from Gaza. Sharon wants to present it as the tale of an independent Israeli decision whose purpose is to improve Israel's military capabilities in years to come. Hamas and its cohorts want to frame the withdrawal in a different context, presenting it as a triumph of Palestinian power that culminated in the removal of Jewish settlements and the expulsion of the IDF. The terror attacks, which peaked early this week in the double suicide bombing at the Ashdod port, are intended to restore to the Palestinians both operational initiative in the field, and the ability to dictate the narrative to the world.... Since it is tremendously difficult for security forces to thwart terror attacks once suicide bombers and explosives have been smuggled into Israeli territory, Israel does not have the luxury of abandoning operations in the Gaza Strip altogether. Under such circumstances, selective assassinations of those responsible for planning future terror strikes and for implementing them (as opposed to punishing those responsible for past attacks) are an unavoidable necessity. The same is true of ground operations when there is no way of carrying out precise strikes against defined targets.... Operations proposed by military officials to the political leadership are less problematic than the verbal wrapping in which government spokesmen have packaged the plans for marketing to the public. Posturing and threats do not enhance Israel's deterrent power. They can actually backfire, leading to a general escalation and producing one of two bad results: enhancing the credibility of the Palestinian version of Israel's withdrawal under force, or the failure of the plan to withdraw from

12. Campaign Against Terrorism:

Summary:

Nationalist writer Uri Dan, a close associate of Prime Minister Sharon, opined in conservative, independent Jerusalem Post: "To a far greater degree than the terrible attacks by Muslim terrorists perpetrated in Jerusalem, Bali, Casablanca, and Istanbul, the massacre in Madrid was intended to tell the stunned Europeans that the barbarians are, once again, at the gates of Europe."

Block Quotes:

"Victory For Muslim Terrorism in Madrid"

Nationalist writer Uri Dan, a close associate of Prime Minister Sharon, opined in conservative, independent Jerusalem Post (March 18): "'President Bush is totally familiar with the grave problem of global terrorism, and the free world is fortunate that he is occupying the White House,' Prime Minister Ariel Sharon told me last Friday at his farm in the northern Negev. The

Prime Minister voiced these remarks after hearing the reports from Madrid of the terrible massacre perpetrated there the previous day by Al Qaida.... It won't take long for the new Spanish government to learn the hard way that rapid surrender to Muslim terror will only encourage additional attacks in Spain by al-Qaida.... The defeat of Aznar's government last Sunday, 72 hours after the massacre in Madrid, was without doubt a victory for Muslim terrorism aimed at undermining the Western democracies... If France opposed the United States' justified war in Iraq and refused to dispatch a single soldier there, why should it become a target for Muslim terror? Because al-Qaida's global offensive against the West is unconnected to events in Iraq.... To a far greater degree than the terrible attacks by Muslim terrorists perpetrated in Jerusalem, Bali, Casablanca, and Istanbul, the massacre in Madrid was intended to tell the stunned Europeans that the barbarians are, once again, at the gates of Europe."

KURTZER